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Debtor and Debtor in Possession

**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**SAN FRANCISCO DIVISION**

In re:

**CARTER'S GROVE, LLC,**  
  
Debtor.

Case No.: 11-30554 (TEC)

Chapter 11

**THIRD AMENDED CASE MANAGEMENT  
STIPULATION**

This Stipulation (the "Stipulation") is entered into by and between Carter's Grove, LLC, debtor and debtor-in-possession in the above-captioned case (the "Debtor"), and The Colonial Williamsburg Foundation ("CWF"), by and through their respective counsel. The Debtor and CWF are each referred to herein as a "Party" and together as the "Parties."

**RECITALS**

A. On February 14, 2011 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtor continues to manage its affairs as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or committee has been appointed in this chapter 11 case.

B. On February 15, 2011, the Court entered an order [Docket No. 11] (the "Status Conference Order") scheduling a status conference (the "Status Conference") at 9:30 a.m. (Pacific) on April 4, 2011 regarding the administration of the Debtor's case. Subsequently on March 28,

1 2011, the Court entered an order [Docket No. 37] rescheduling the Status Conference at 9:30 a.m.  
2 (Pacific) on April 1, 2011 so that it would coincide with the hearing on the Venue Motion (as  
3 defined below).

4 C. On March 3, 2011, CWF filed the *Motion to Transfer Venue* [Docket No. 21] (the  
5 “Venue Motion”) seeking an order transferring the venue of the Debtor’s case to the United States  
6 Bankruptcy Court for the Eastern District of Virginia.

7 D. On March 23, 2011, the Debtor filed the *Objection to Motion of Colonial*  
8 *Williamsburg Foundation to Transfer Venue to the Eastern District of Virginia* [Docket No. 33] (the  
9 “Debtor’s Objection”).

10 E. On March 23, 2011, Sotheby’s Inc. filed an objection to the Venue Motion opposing  
11 the transfer of venue of the Debtor’s case to the United States Bankruptcy Court for the Eastern  
12 District of Virginia [Docket No. 32]. On March 28, 2011, AVN, LLC filed a joinder to the Debtor’s  
13 Objection [Docket No. 36].

14 F. In accordance with the Status Conference Order, March 28, 2011, the Debtor filed its  
15 Status Conference Statement describing the events that precipitated the filing of the Debtor’s case  
16 and the Debtor’s compliance with its various duties as a debtor-in-possession under the Bankruptcy  
17 Code and the Guidelines of the Office of the United States Trustee.

18 G. On March 29, 2011, CWF filed its reply to the Debtor’s Objection [Docket No. 38].

19 H. On March 30, 2011, the Court entered a tentative ruling [Docket No. 42] (the  
20 “Tentative Ruling”) regarding the Venue Motion in which the Court reserved its decision on the  
21 Venue Motion for the reasons set forth therein.

22 I. The Parties conferred regarding the Venue Motion, the claims of CWF (the “CWF  
23 Claims”) against the Debtor, the Debtor’s defenses thereto, and agreed upon the terms and  
24 conditions regarding informal discovery, including the examination of witnesses and production of  
25 documents pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the “Rule 2004  
26 Information”), the adjournment of the hearing on the Venue Motion and the Status Conference, and  
27 the deadline to file objections (the “Claim Objections”) to the CWF Claims. The Rule 2004  
28 Information has been provided and the Debtor has taken four examinations.

1 J. On April 1, 2011, the Court held the initial hearing on the Venue Motion and the  
2 Status Conference during which time counsel to the Parties informed the Court of the agreement  
3 regarding the terms and conditions of the request for the Rule 2004 Information and Claim  
4 Objections as set forth herein. The Court entered an order on the Parties' stipulation, including but  
5 not limited to scheduled dates for production of the Rule 2004 Information, the hearing on the Venue  
6 Motion, and the Status Conference.

7 K. The Parties have since agreed to roll the dates forward by two weeks based on CWF's  
8 production of responsive documents on a rolling basis, completed as of May 10, 2011. Accordingly,  
9 the parties submitted a Second Amended Case Management Stipulation ("Second Scheduling  
10 Stipulation") and the Court entered an order approving the Second Scheduling Stipulation. The  
11 Parties have no agreed to further modify certain dates in the Second Scheduling Stipulation as set  
12 forth in detail in this Third Amended Case Management Stipulation.

### 13 STIPULATION

14 1. The Debtor shall file the Claim Objection or any other claim it has against CWF on or  
15 before June 24, 2011. If the Claim Objection or other claims are not filed against CWF on or before  
16 June 24, 2011 by the Debtor, the Halsey Minor Revocable Trust 1104, Halsey M. Minor,  
17 individually, and their affiliates and assigns, such parties shall be forever barred from filing any  
18 objection to the CWF Claim or any other claims against CWF that are based on facts that existed or  
19 occurrences that happened prior to June 24, 2011. Not later than June 10, 2011, the Debtor shall  
20 deliver to CWF a draft of the Claim Objection to the Debtor; provided, however, that this draft need  
21 not include any Claim Objection or other claims against CWF related to alleged environmental  
22 conditions on the property, pending completion of environmental tests the Debtor is performing at  
23 the property. The Debtor shall deliver a written confidential settlement offer to CWF not later than  
24 June 17, 2011.

25 2. The hearing on the Venue Motion, the Debtor's Objection, and the various pleadings  
26 filed in response thereto shall still proceed as scheduled pursuant to the Second Scheduling  
27 Stipulation on July 7, 2011 at 11:00 a.m. (Pacific).  
28

1           3.       The Status Conference shall also proceed as scheduled on July 7, 2011 at 11:00 a.m.  
2 (Pacific). The Debtor must file its plan of reorganization and disclosure statement on or before June  
3 14, 2011; provided, however, for the avoidance of doubt, the Debtor reserves its right to amend the  
4 plan and disclosure statement after filing the Claim Objection to incorporate the issues raised therein  
5 and any other issues as the Debtor may deem appropriate.

6           4.       None of the deadlines set forth above shall be extended absent agreement of the  
7 Parties and the hearing on July 7, 2011 shall not be postponed absent agreement of the Parties. Each  
8 Party waives the right to seek such an extension or continuance absent agreement of the Parties.

9           5.       The person who executes and delivers this Stipulation on behalf of each respective  
10 Party represents and warrants that he or she has been duly authorized and empowered to execute and  
11 deliver this Stipulation on behalf of such Party.

12           6.       This Stipulation contains the entire agreement among the Parties relating to the  
13 subject matter hereof can only be amended or otherwise modified by a signed writing executed by  
14 the Parties.

15           7.       This Stipulation may be executed in counterparts, each of which shall be deemed an  
16 original but all of which together shall constitute one and the same instrument, and it shall constitute  
17 sufficient proof of this Stipulation to present any copy, copies, or facsimiles signed by the Parties  
18 hereto to be charged.

8. The Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation and enforcement of this Stipulation.

Dated: June 10, 2011

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Dated: June 10, 2011

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